RSONNEL YOUR TOTAL STAFFING SOLUTION

735 Overland Ave. Burley, ID 83318 www.personnelplusinc.com

678-4040 email: <u>burley@personnel.com</u> | 3.5.

October 10, 2003

Bankruptcy Clerk U.S. Bankruptcy Court 801 E. Sherman St. Pocatello, ID 83201

Clain #21

To the Honorable Bankruptcy Judge:

Re: Request for Reclassification of Claim Status with case No. 03-41318

Personnel Plus, Inc. issued the payroll for the employees of Ketterling Farms, which included mandatory Worker's Compensation Insurance, employee pay and payroll taxes.

The Chapter 12 Plan includes Personnel Plus, Inc. as an unsecured debtor. I realize the invoices in question were over 90 days at the time we received notice of the Chapter 12 Bankruptcy dated June 29, 2003. However, I have proof that Ketterling Farms made an agreement with Personnel Plus, Inc. in February 2003 to continue running the current payroll while they paid on their old invoices so they could continue to have Worker's Compensation. The last payment we received on the old invoices was dated May 8, 2003.

Ketterling Farms was in the process of filing bankruptcy, which we were unaware of, precluding Personnel Plus, Inc. right to file for a judgment after receipt of such notice. Personnel Plus, Inc. continued to act in good faith with Ketterling Farms and continued to process their current payroll for their employees while under the Chapter 12 bankruptcy they filed on June 29, 2003.

Enclosed are the documents supporting our claim.

I respectfully request the court's consideration to reclassify our claim I the amount of \$5,564.74 as a Class IV general unsecured claim to that of secured in behalf of Personnel Plus, Inc.

Respectfully,

Buenda Bailey Brenda Bailey Office Manager

CERTIFICATE OF SERVICE

I hereby certify that on the 10th day of October, 2003, I sent a copy of the foregoing objection to the following: Debtor's, The Debtor's Attorney and the Chapter 12 Trustee by United States Mail:

Lynn Ketterling and Jeanne Ketterling, Dba Ketterling Farms 100 N. 160 W. Rupert, 1D 83350

D. Blair Clark RINGERT CLARK CHARTERED P.O. Box 2773 Boise, ID 83701

US Trustee 304 N 8th St. #347 Boise, ID 83702

Forrest Hymas P.O Box 89 Jerome, ID 83338

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TERMS AND CONDITIONS

The following terms and conditions form the basis for Personnel Plus supplying associates to client companies. The signature of the client's agent on the face of this time sheet constitutes full acceptance of the following terms and conditions:

- It is agreed neither Personnel Plus nor associates will be responsible for physical loss or damage to, or loss of use of, machinery, equipment, materials, or other property while in the care, custody, or control of a Personnel Plus associate.
- 2. It is agreed that the client shall accept full responsibility for bodily injury, property damage, fire, theft, collision, or public liability claims arising out of the operation of a motor vehicle or other motorized equipment for the client by the associate.
- It is agreed that the client shall notify Personnel Plus of any changes in the duties of a Personnel Plus associate from those originally described to Personnel Plus.
- 4. It is agreed that the client will indemnify Personnel Plus and associates for injuries incurred by client's employees, agents, and/or third parties in the course of their employment, losses resulting from work performed by Personnel Plus associates in a reasonable, prudent manner and/or as instructed by client; and losses resulting from willful misconduct, intentional or negligent acts by the client. (Except for bodily injury to the Personnel Plus associate covered by Workers' Compensation.)
- 5. It is agreed that the client will not entrust an associate with unattended premises or any part thereof, or with the care, custody, or control of cash, negotiables, or other valuable without the prior written permission of Personnel Plus, and then only when the Personnel Plus associate's specific duties necessitate such activities.
- 6. It is agreed by client that positions requiring fidelity bonding will be requested at the time order is placed. It is agreed that any claims made under Personnel Plus fidelity bond must be made in writing by the client within ten (10) days of the occurrence.
- It is agreed that the client will furnish a suitable place for Personnel Plus associates to work, which shall comply with all laws and ordinances related to occupational health and safety.
- It is agreed that it is the clients responsibility to comply with stated company safety requirements and comply with a all local, state and federal safety and OSHA regulations.
- 9. Because Personnel Plus has a substantial investment in maintaining its staff of associates and in consideration of the services rendered by Personnel Plus, it is agreed that, for a period of 180 days after the last day for which hours are reported, client agrees not to utilize or hire through another staffing firm any Personnel Plus associate, unless otherwise agreed to by Personnel Plus.
 - Should the client hire a Personnel Plus associate directly, it is agreed that Personnel Plus will be notified of this intent and that the associate will remain on Personnel Plus payroll for a period of 720 working hours from date of notification. Should the client hire or utilize a Personnel Plus associate either directly, or through another staffing firm within the 180 days, it is agreed that the client will pay a payroll transfer fee based on salary; the assessment will be determined by 1% per 1,000.00 of the annual salary not to be less than \$1,500.00, unless otherwise agreed by Personnel Plus.
- 10. It is agreed that charges for Personnel Plus associates are payable on the due date stated on the invoice. The client agrees to promptly pay the charges evidenced by this time card or any other mutually acceptable recording method.
- 11. It is agreed the Personnel Plus reserves the right to assess service charges per month (18% per annum) on any charges remaining unpaid 30 days after the invoice date, unless otherwise specified by state law.
- 12. It is agreed that Personnel Plus is entitled to reasonable collection fees, attorney fees, and any other expenses incurred in the collection of all charges on this client's account(s).

Kefferling Farms

Lyon and Jeanne Ketterling 100 North 160 West Rupert, Idaho 83350

Telephone 1-208-436-4466
Fax 1-208-436-6794
E-Mail ket@pmt.org
Jeanne Cell 1-208-670-1112
Lynn Cell 1-208-670-2062

February 22, 2003

To our Friends and Business Associates:

Our bank has put us into an upsetting position, both emotionally and financially over the last few months. We will no longer be working with this bank because of their unethical, unreasonable and tactless manner of doing business. We will also not be farming any longer, but will be raising calves. We want to reassure you that any debts we have with you will be paid. We will be sending you something each month until you are paid in full. We appreciate your patience in the restructuring of our lives. We will be fine, but it takes time to change your way of life. Thank you again for your patience and understanding.

May Angels Watch Over You,

Jeanne and Lynn Ketterling

Jeanne & Lynn

NOTE: If anyone is interested our liquidation sale is March 17, 2003 at U.S. Auctions in Heyburn. There will be some very good equipment available.



